

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
INBOUND COMPETITIVE MULTI-SERVICE AGREEMENTS WITH
FOREIGN POSTAL OPERATORS
INTERCONNECT REMUNERATION AGREEMENT –
UNITED STATES POSTAL SERVICE AND
SPECIFIED POSTAL OPERATORS II (MC2010-34)
NEGOTIATED SERVICE AGREEMENT

Docket No.
CP2022-34

**RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
QUESTIONS 1-5 OF CHAIRMAN'S INFORMATION REQUEST NO. 1**
(December 22, 2021)

The United States Postal Service hereby provides its responses to the above-listed questions of Chairman's Information Request No. 1, issued on December 15, 2021. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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December 22, 2021

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 1**

1. Please see Attachment, filed under seal.

RESPONSE:

Please see Non-public Response, filed under seal.¹

¹ The Postal Regulatory Commission (PRC) filed Question nos. 1-5 of this ChIR No. 1 under seal. The Postal Service therefore also files these questions and their respective responses under seal. Revised versions of financial workpapers accompany this Response; redacted copies are being filed publicly and unredacted copies are being filed under seal. A new Certification for these revised financial workpapers is attached at the end of this Response. Non-public attachments also accompany this Response. The Postal Service further incorporates by reference the Application for Non-public Treatment of Materials that it filed in this case. See Notice of United States Postal Service of Filing Functionally Equivalent Inbound Competitive Multi-Service Agreement with Foreign Postal Operators, Docket No. CP2022-34, December 8, 2021, at Attachment 1 (Application of United Postal Service for Non-Public Treatment of Materials).

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 1**

2. Please see Attachment, filed under seal.

RESPONSE:

Please see Non-public Response, filed under seal.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
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3. Please see Attachment, filed under seal.

RESPONSE:

Please see Non-public Response, filed under seal.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
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4. Please see Attachment, filed under seal.

RESPONSE:

Please see Non-public Response, filed under seal.

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5. Please see Attachment, filed under seal.

RESPONSE:

Please see Non-public Response, filed under seal.

Certification of Prices for Inbound Competitive Multi-Service Agreement with Foreign Postal Operators

I, Karen Meehan, Manager, Director, International Pricing and Financial Reporting, Finance Department, United States Postal Service, am familiar with the inbound competitive prices for the “Interconnect Remuneration Agreement USPS and Specified Postal Operators II” (referred to as the “IRA-USPS II Agreement”), executed in 2021. The prices contained in the IRA-USPS II Agreement were established in accordance with the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors’ Decision No. 19-1), issued on February 7, 2019.

I hereby certify that the cost coverage for the IRA-USPS II Agreement has been appropriately determined and represents the best available information. The rates are in compliance with 39 U.S.C. § 3633(a)(1), (2), and (3). The rates demonstrate that the IRA-USPS II Agreement should cover its attributable costs and preclude the subsidization of competitive products by market dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from the IRA-USPS II Agreement should be much smaller. The IRA-USPS II Agreement should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Karen
Meehan**

Karen Meehan

Digitally signed by Karen
Meehan
Date: 2021.12.21
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12/21/2021

Date